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July 24, 2014

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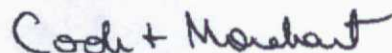
RE: Audit Report
Bossier Parish Police Jury
Benton, Louisiana
As of and for the year ended December 31, 2012

Attached please find the revised audited financial statements for the Bossier Parish Police Jury for the year ended December 31, 2012. A correction was made to Note 11, Long-term Liabilities, pertaining to the future maturities of the revenue bonds. Please note that while the principal payments for each of the years stated were correct as listed in the original audit report, the interest maturities contained mathematical errors due to formulas not rolling forward correctly from the prior year audit. In addition, a correction was made to the amounts due within one year, so that the amounts in that column now total correctly. A correction was also made to Footnote 7, Capital Assets. While the "Total Governmental Activities Capital Assets, Net" was correctly stated and in agreement with the financial statements, the formula was not correct for the sub-total "Total Capital Assets Being Depreciated, Net."

The above noted errors were a result of formulas not rolling forward correctly from the prior years. We have corrected those formulas, and the amounts are now shown correctly. Please note that these errors had no effect on the audit for the year ended December 31, 2013.

We apologize for any inconvenience this may have caused. If additional information is needed, please contact Travis Morehart at (318) 222-5415.

Sincerely,



Cook & Morehart

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date AUG 27 2014

REISSUE

**Bossier Parish Police Jury
Benton, Louisiana**

Primary Government Financial Statements

**As of and For the Year Ended December 31, 2012
With Supplemental Information Schedules**

Bossier Parish Police Jury
Benton, Louisiana

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Bossier Parish Police Jury
Benton, Louisiana

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Independent Auditors' Report

Bossier Parish Police Jury
Benton, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the basic financial statements of the parish's primary government as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information

The financial statements referred to above do not include financial data for the Bossier Parish Police Jury's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Parish's primary government unless the Bossier Parish Police Jury also issues financial statements for the financial reporting entity that include the financial data for its component units. The Bossier Parish Police Jury has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, liabilities, net position, revenues, and expenses of the government-wide financial statements has not been determined.

Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Bossier Parish Police Jury, as of December 31, 2012 or the changes in financial position thereof for the year then ended.

Qualified Opinion on Aggregate Remaining Fund Information

In our opinion, except for the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Units and Qualified Opinion on Aggregate Remaining Fund Information" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate remaining fund information of the Bossier Parish Police Jury as of December 31, 2012, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Bossier Parish Police Jury as of December 31, 2012, and the respective changes in financial position and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information


Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 11 and 50 – 53, and the Schedule of Funding Progress for Retiree Health, Dental, and Life Plans shown on page 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bossier Parish Police Jury's basic financial statements. The accompanying other supplementary information listed in the table of contents and shown on page 55-64 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2013, on our consideration of the Bossier Parish Police Jury's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bossier Parish Police Jury's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
June 27, 2013

BOSSIER PARISH POLICE JURY

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Bossier Parish Police Jury's financial performance provides an overview of the Police Jury's financial activities for the fiscal year ended December 31, 2012. Please read it in conjunction with our financial statements, which begin on page 12.

FINANCIAL HIGHLIGHTS

- The assets of the Police Jury exceeded its liabilities at the close of 2012 by \$278,164,151. Of this amount, \$22,228,942 (unrestricted net position) may be used to meet the ongoing obligations to citizens and creditors in accordance with the Police Jury's fund designation and fiscal policies.
- The Police Jury's net position increased by \$17,504,104 or 7%.
- The Police Jury's total general and program revenues were \$62,413,950 in 2012 compared to \$61,330,278 in 2011.
- During the year ended December 31, 2012, the Police Jury had total expenses, excluding depreciation, of \$36,596,633, compared to \$35,606,957 for 2011.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 12-13) provide information about the activities of the Police Jury as a whole and present a longer-term view of the Police Jury's finances. Fund financial statements start on page 14. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Police Jury's operations in more detail than the government-wide statements by providing information about the Police Jury's most significant funds.

Reporting the Police Jury as a Whole

Our analysis of the Police Jury as a whole begins on page 12. One of the most important questions asked about the Police Jury's finances is "Is the Police Jury as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the funds maintained by the Police Jury as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Police Jury's *net position* and changes in them. You can think of the Police Jury's net position – the difference between assets and liabilities – as one way to measure the Police Jury's financial health, or *financial position*. Over time, *increases or decreases* in the Police Jury's net position is one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Police Jury's property tax base, to assess the overall health of the Police Jury.

In the Statement of Net Position and the Statement of Activities, we divide the Police Jury into two kinds of activities: *governmental activities* and *business-type activities*.

Governmental activities – the majority of the expenses paid from the funds maintained by the Police Jury are reported here, consisting primarily of personal services, materials and supplies, travel, repairs and maintenance and other program services. Ad valorem taxes and sales taxes finance most of these activities.

Business-type activities - the Police Jury charges a fee to customers to help it cover the costs of certain water and sewer services it provides. The Consolidated Waterworks / Sewerage District No. 1 is reported here.

Reporting the Police Jury's Most Significant Funds

Our analysis of the major funds maintained by the Police Jury begins on page 14. The fund financial statements begin on page 14 and provide detailed information about the most significant funds maintained by the Police Jury – not the Police Jury as a whole. The Police Jury's *governmental funds* use the following accounting approaches:

Governmental funds – Most of the Police Jury's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the *modified accrual* accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Police Jury's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Police Jury expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

Proprietary Funds - When the Consolidated Waterworks / Sewerage District No. 1 charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Police Jury's enterprise fund (a component of proprietary fund) is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

THE POLICE JURY AS A WHOLE

The Police Jury's combined net position changed from a year ago, increasing from \$260,660,047 (as restated) to \$278,164,151. A comparative analysis of the funds maintained by the Police Jury is presented below.

Table 1
Net Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 63,548,688	\$ 69,766,331	\$ 870,466	\$ -	\$ 66,419,154	\$ 69,766,331
Capital asset, net	27,483,801	252,021,645	9,679,841	5,616,606	284,517,892	257,638,251
Internal balances	7,940,934	4,381,552	(7,940,934)	(4,381,552)	-	-
Total assets	<u>348,327,673</u>	<u>326,169,528</u>	<u>2,609,373</u>	<u>1,235,054</u>	<u>350,937,046</u>	<u>327,404,582</u>
Current liabilities	4,014,620	2,853,693	85,183	-	4,099,803	2,853,693
Long-term liabilities	68,209,817	63,803,119	463,275	-	68,673,092	63,803,119
Total liabilities	<u>72,224,437</u>	<u>66,656,812</u>	<u>548,458</u>	<u>-</u>	<u>72,772,895</u>	<u>66,656,812</u>
Net assets:						
Investment in capital assets, net of related debt	221,248,969	205,545,695	1,275,632	1,235,054	222,524,601	206,780,749
Restricted	33,410,608	39,848,018	-	-	33,410,608	39,848,018
Unrestricted	21,443,659	14,119,003	785,283	-	22,228,942	14,119,003
Total net assets	<u>\$ 276,103,236</u>	<u>\$ 259,512,716</u>	<u>\$ 2,060,915</u>	<u>\$ 1,235,054</u>	<u>\$ 278,164,151</u>	<u>\$ 260,747,770</u>

Net position of the Police Jury's governmental activities increased by \$16,678,243 or 7%. Unrestricted net position, the part of net position that can be used to finance Police Jury expenses without constraints or other legal requirements, increased from \$14,119,003 at December 31, 2011 to \$21,443,659 at December 31, 2012.

Net position of the Police Jury's business-type activities increased by \$825,861 or 67%. The sewer and water systems acquired by Consolidated Waterworks / Sewerage District No. 1 began operating during 2012, contributing to this increase in net position.

Table 2
Change in Net Assets

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues						
Charges for services	\$ 2,232,433	\$ 2,537,009	\$ 1,180,101	\$ -	\$ 3,412,534	\$ 2,537,009
Operating grants and contributions	3,266,141	16,686,956	-	-	3,266,141	16,686,956
Capital grants and contributions	16,010,548	1,303,644	-	-	16,010,548	1,303,644
General revenues						
Ad valorem taxes	13,902,862	12,743,404	-	-	13,902,862	12,743,404
Sales taxes	16,873,169	19,681,279	-	-	16,873,169	19,681,279
Other taxes	1,132,340	1,001,541	-	-	1,132,340	1,001,541
Franchise taxes	359,962	352,206	-	-	359,962	352,206
Investment earnings	365,853	28,779	130	-	365,983	28,779
Gaming tax revenues	4,048,577	4,152,730	-	-	4,048,577	4,152,730
State revenue sharing	546,353	535,498	-	-	546,353	535,498
Gain on sale of land	-	-	-	-	-	-
Miscellaneous revenues	241,026	2,307,532	4,455	-	2,495,481	2,307,532
Transfers	47,982	(1,242,602)	(47,982)	1,242,602	-	-
Total revenues	<u>61,277,246</u>	<u>60,087,976</u>	<u>1,136,704</u>	<u>1,242,602</u>	<u>62,413,950</u>	<u>61,330,578</u>
Expenses						
General government	8,189,799	8,640,346	-	-	8,189,799	8,640,346
Public safety	5,197,299	5,547,262	-	-	5,197,299	5,547,262
Public works	16,688,686	15,755,499	-	-	16,688,686	15,755,499
Public utilities	189,488	94,948	-	-	189,488	94,948
Health and welfare	4,422,614	3,562,835	-	-	4,422,614	3,562,835
Culture and recreation	5,024,017	5,246,774	-	-	5,024,017	5,246,774
Economic development	2,450,359	2,387,029	-	-	2,450,359	2,387,029
Interest on long-term debt	2,436,741	2,248,952	-	-	2,436,741	2,248,952
Sewer and water	-	-	310,843	7,548	310,843	7,548
Total expenses	<u>44,599,003</u>	<u>43,483,645</u>	<u>310,843</u>	<u>7,548</u>	<u>44,909,846</u>	<u>43,491,193</u>
Increases (decreases)						
in net position	<u>\$16,678,243</u>	<u>\$16,604,331</u>	<u>\$ 825,861</u>	<u>\$ -</u>	<u>\$17,504,104</u>	<u>\$17,839,385</u>

Total revenues increased \$1,083,372 or 2% from total revenues in the year ended December 31, 2011 of \$61,330,578 to total revenues of \$62,413,950 in the year ended December 31, 2012, due in part to an increase in Public Works charges for services.

Governmental Activities

Total revenues for the governmental activities increased approximately \$1,189,270, due in part to an increase in ad valorem tax revenues.

The cost of all governmental activities this year was \$44,599,003. These costs were covered by \$21,509,122 of program revenues, with the remaining costs covered by property taxes, sales taxes, and other general revenues.

Business-type Activities

Total revenues for the business-type activities decreased \$105,898 (9%) from total revenues in the year ended December 31, 2011 of \$1,242,602 to total revenues of \$1,136,704 in the year ended December 31, 2012.

The cost of all business-type activities this year was \$310,843. These costs were covered by program revenues consisting of charges for services.

THE POLICE JURY'S FUNDS

As the Police Jury completed the year, its governmental funds (as presented in the balance sheet on page 14) reported a *combined* fund balance of \$64,954,344, which is less than last year's fund balance of \$66,912,414.

General Fund Budgetary Highlights

The Police Jury adopted a budget for its General Fund for the year ended December 31, 2012, and amended the budget one time during the year. The budgetary comparison is presented as required supplementary information and shown on pages 49. Highlights for the year are as follows:

- General fund expenditures were in line with the amended budget.
- Revenues were slightly less than budgeted, due in part to lower than anticipated sales tax collections.

The Police Jury's General Fund balance of \$3,397,540 reported on page 14 differs from the General Fund's *budgetary* fund balance of \$1,520,950, reported in the budgetary comparison schedule on page 50. This is primarily due to the Police Jury budgeting on the cash basis of accounting.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2012, the Police Jury had invested \$284,517,892 in capital assets. (see table 3 below)

Table 3
Capital Assets At Year End
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 11,633,324	\$ 11,006,200	\$1,261,868	\$ 401,000	\$12,895,192	\$ 11,407,200
Goodwill	—	—	1,226,000	1,226,000	1,226,000	1,226,000
Construction in progress	11,307,751	9,026,422	2,371,730	1,732,679	13,679,481	10,759,101
Buildings	85,962,192	88,391,160	4,820,243	2,256,927	90,782,435	90,648,087
Infrastructure	160,497,853	137,969,711	—	—	160,497,853	137,969,711
Equipment, furnishings, vehicles	4,443,403	4,689,259	—	—	4,443,403	4,689,259
Library books & materials	993,528	938,893	—	—	993,528	938,893
Sewer system	—	—	—	—	—	—
Water system	—	—	—	—	—	—
Total assets (net)	<u>\$274,838,051</u>	<u>\$252,021,645</u>	<u>\$9,679,841</u>	<u>\$5,616,606</u>	<u>\$284,517,892</u>	<u>\$ 257,638,251</u>

Debt

Outstanding debt of the Police Jury includes: \$1,195,000 issued in 2005 for acquiring, construction, improving and equipping the public library facilities and system, \$24,830,000 issued in 2010 for refunding of the courthouse addition/renovation and jail construction projects, \$2,470,000 issued in 2010 for refunding of the courthouse addition/renovation and jail construction projects, \$6,702,000 issued in 2010 for public improvement projects in the parish of Bossier, \$14,240,000 issued in 2007 for public projects in the parish of Bossier, \$11,835,000 issued in 2012 for the acquisition, upgrade, expansion, construction, and equipping of parish-owned public improvements, and \$463,275 issued in 2012 for constructing and acquiring improvements, extensions, and replacements to the sewer system.

TABLE 4
Outstanding Debt at Year End

	Governmental Activities <u>2011</u>	Governmental Activities <u>2012</u>
Certificates of indebtedness, Series 2005 (backed by ad valorem tax revenue in the Library Fund)	\$ 1,560,000	\$ 1,195,000
Revenue bonds, Series 2010 (backed by sales tax revenue in Capital Improvements Fund)	\$ 5,000,000	\$ -
Revenue bonds, Series 2010A (backed by sales tax revenue in Capital Improvements Fund)	\$ 24,830,000	\$ 24,830,000
Revenue bonds, Series 2010B (backed by sales tax revenue in Capital Improvements Fund)	\$ 4,885,000	\$ 2,470,000
Revenue bonds, Series 2010 Build America Bond (backed by sales tax revenue in Capital Improvements Fund)	\$ 7,442,000	\$ 6,702,000
Revenue bonds, Series 2012 (LCDA CWWSD)	-	\$ 11,835,000
Revenue bonds, Series 2007 (LCDA Improvements)	\$14,920,000	\$ 14,240,000
	Business-type Activities <u>2011</u>	Business-Type Activities <u>2012</u>
Utility Revenue Bonds, Series 2012	\$ -	\$ 463,275

State law restricts the amount of debt that the Police Jury may issue. The aggregate principal amount of debt may not exceed 10% of the assessed valuation for property tax purposes of all real and personal property located within the parish. The Police Jury's total debt outstanding at year end was well below this limitation.

Other obligations include accrued vacation pay and other post employment obligations. More detailed information about the debt is presented in Note 11 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Police Jury's management considered many factors when setting a fiscal year December 31, 2012 budget. Amounts available for appropriation in the governmental funds are expected to decrease due to an decrease in sales tax revenues. Ad valorem taxes will increase due to continued residential and commercial development.

The Consolidated Waterworks / Sewerage District No. 1 (District) is planning certain water and sewer projects and acquisitions for water / sewer infrastructure improvements within Bossier parish. The estimated cost of those improvements are approximately \$45,000,000. Funding for the improvements is to be provided by a loan from the State of Louisiana, Department of Environmental Quality for \$17,750,000; issuance of revenue bonds through the Louisiana Local Government Authority for \$11,835,000; and State of Louisiana capital outlay funds totaling approximately \$15,500,000.

CONTACTING THE POLICE JURY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the police jury and to show the police jury's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Bossier Parish Police Jury, P. O. Box 70, Benton, Louisiana 71006.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Net Position
December 31, 2012

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 35,930,879	\$ 492,854	\$ 36,423,833
Investments	34,983		34,983
Restricted cash	8,869,016	79,810	8,948,826
Receivables	17,041,862	163,429	17,205,291
Prepaid expenses	847,979	24,511	872,490
Capital assets, net	274,838,051	9,679,841	284,517,892
Deferred bond issuance costs	2,823,969	109,762	2,933,731
Internal balances	7,940,934	(7,940,934)	
Total assets:	348,327,673	2,809,373	350,937,046
Liabilities			
Current			
Accounts payable and accrued expenses	4,014,620	5,373	4,019,993
Payable from restricted assets:			
Customer deposits		79,810	79,810
Non-current liabilities:			
Due within one year	4,488,221		4,488,221
Due in more than one year	63,721,588	463,275	64,184,871
Total liabilities	72,224,437	548,458	72,772,895
Net Position			
Invested in capital assets, net of related debt	221,248,969	1,275,632	222,524,601
Restricted for:			
Capital Projects	7,365,117		7,365,117
Public Safety	3,203,252		3,203,252
Economic Development	1,176,831		1,176,831
Culture and Recreation	15,073,465		15,073,465
Debt service	3,462,531		3,462,531
Health and Welfare	2,734,078		2,734,078
Sewer operation	395,334		395,334
Unrestricted	21,443,659	785,283	22,228,942
Total net position	\$ 276,103,236	\$ 2,060,915	\$ 278,164,151

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Activities
For the Year Ended December 31, 2012

Functions / Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General government:							
Zoning and planning	\$ 40,058	\$	\$	\$	\$ (40,058)	\$	\$ (40,058)
Legislative	503,753				(503,753)		(503,753)
Judicial	2,680,197	1,270,788			(1,589,411)		(1,589,411)
Elections	241,480				(241,480)		(241,480)
Finance and administrative	1,297,585	20,700			(1,276,885)		(1,276,885)
Other	3,248,716	239,973	42,858		(2,963,887)		(2,963,887)
Public safety	5,197,299	291,174			(4,906,125)		(4,906,125)
Public works	16,688,888	385,171	151,323	16,010,548	(161,444)		(161,444)
Public utilities	189,488				(189,488)		(189,488)
Health and welfare	4,422,814		3,071,782		(1,350,852)		(1,350,852)
Culture and recreation	5,024,017	74,829			(4,949,388)		(4,949,388)
Economic development	2,450,359				(2,450,359)		(2,450,359)
Interest on long-term debt	2,438,741				(2,438,741)		(2,438,741)
Total governmental activities	44,689,003	2,232,433	3,268,141	16,010,548	(23,089,881)		(23,089,881)
Business-type Activities							
Sewer and water	310,843	1,180,101				869,258	869,258
Total business-type activities	310,843	1,180,101				869,258	869,258
Total Government	\$ 44,999,846	\$ 3,412,534	\$ 3,268,141	\$ 16,010,548	(23,089,881)	869,258	(22,220,623)
General revenues:							
Ad valorem taxes					13,902,862		13,902,862
Sales taxes					16,873,189		16,873,189
Gaming tax revenues					4,048,577		4,048,577
Franchise taxes					359,962		359,962
Other taxes					1,132,340		1,132,340
Investment earnings					365,833	130	365,963
State revenue sharing					848,353		848,353
Miscellaneous					2,491,028	4,456	2,495,484
Transfers					47,982	(47,982)	
Total general revenues					39,768,124	(43,397)	39,724,727
Change in net position					16,878,243	825,881	17,504,104
Net position - beginning restated					259,424,993	1,235,054	260,660,047
Net position - ending					\$ 276,103,236	\$ 2,060,915	\$ 278,164,151

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Balance Sheet
Governmental Funds
December 31, 2012

	General	Highway	Library	Capital Improvements	LCDA Sewer Construction	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 1,259,584	\$ 7,354,249	\$ 9,834,145	\$ 8,788,280	\$ 187,978	\$ 10,508,855	\$ 35,930,879
Investments	34,983						34,983
Receivables	2,573,418	3,187,813	8,881,488	897,988		3,701,048	17,041,862
Restricted cash					3,507,169	5,381,847	8,889,018
Due from other fund	87,812	10,000				8,373	104,185
Advance to Waterworks/Sewer District					7,940,834		7,940,834
Total assets	\$ 3,955,777	\$ 10,552,162	\$ 18,515,641	\$ 7,686,278	\$ 11,638,079	\$ 19,575,924	\$ 69,921,859
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ 302,714	\$ 1,835,819	\$ 832,803	\$ 172,811	\$ 38,718	\$ 405,680	\$ 3,388,525
Due to other fund		85,782		11,300		27,103	104,185
Deferred revenue	255,523	244,558	885,878			310,848	1,478,805
Total liabilities	558,237	2,146,157	1,288,881	184,111	38,718	743,811	4,987,515
Fund balances:							
Nonspendable					7,940,834		7,940,834
Restricted			15,024,280	7,389,802	3,858,427	13,955,393	40,007,882
Assigned	159,380	8,408,005	182,700	132,383		4,876,820	13,787,388
Unassigned	3,238,160						3,238,160
Total fund balances	3,397,540	8,408,005	15,216,980	7,502,185	11,599,381	18,832,313	64,954,344
Total liabilities and fund balances	\$ 3,955,777	\$ 10,552,162	\$ 18,515,641	\$ 7,686,278	\$ 11,638,079	\$ 19,575,924	\$ 69,921,859

The accompanying notes are an integral part of this statement.

**Bossier Parish Police Jury
Benton, Louisiana
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2012**

Fund balances - total governmental funds	\$ 84,954,344
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	274,838,051
Deferred bond issuance costs are capitalized and amortized over the life of the bond issue for the government-wide statements, but are reported as expenditures in the governmental funds. Debt issuance costs	2,823,969
Premiums on debt issuances are recognized as an other financing source in the governmental funds, however, they are amortized over the life of the issuance in the statement of net position	(573,404)
Long-term liabilities, including bonds payable, accrued interest payable, and other post-employment benefit payable are not due and payable in the current period and therefore are not reported in the funds.	(68,264,508)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	1,476,805
The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.	<u>847,979</u>
Net position of governmental activities	<u>\$ 276,103,236</u>

The accompanying notes are an integral part of this statement.

Boeasier Parish Police Jury
Benton, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	Highway	Library	Capital Improvements	LCDA Sewer Construction	Other Governmental Funds	Total Governmental Funds
Revenues:							
Ad valorem taxes	\$ 1,771,973	\$ 1,759,183	\$ 8,624,785	\$	\$	\$ 3,330,249	\$ 13,488,181
Sales tax	1,420,803	8,881,060		8,491,206			16,873,169
Gaming tax	114,137	1,388,139				2,648,301	4,048,577
Licenses and permits	630,090	151,536					781,626
Intergovernmental revenues	1,448,952	2,426,216	173,071			4,887,069	6,713,308
Fees, charges, and commissions for services	87,188		38,051			689,582	722,601
Fines and forfeitures		213,835	38,578			984,461	1,236,674
Investment earnings	8,233	4,887	4,941	1,832	4,732	343,226	365,851
Miscellaneous	202,870	321,911	15,693			169,511	700,085
Total revenues	6,680,426	13,224,536	8,893,120	8,493,038	4,732	12,632,388	48,828,250
Expenditures:							
Current:							
General government:							
Zoning and planning						40,058	40,058
Legislative	389,787						389,787
Judicial	557,384					2,117,792	2,675,168
Elections	160,878						160,878
Finance and administrative	1,302,884					27,384	1,330,268
Other	275,875	109,291	217,722	2,053,183		127,224	2,763,295
Public safety	2,518,948					2,467,851	5,086,597
Public works		9,317,854		198,011	379,440	488,419	10,383,724
Health and welfare	175,288			54,640		4,162,766	4,392,687
Culture and recreation	107,789		3,911,758			158,101	4,177,653
Economic development	147,415			150,000		1,259,132	1,656,547
Public utilities	189,515						189,515
Capital outlay		18,257,577	680,371	99,502		210,231	17,247,781
Debt service:							
Principal retirement					6,000,000	4,208,443	9,208,443
Interest and other charges					178,257	1,634,508	2,010,768
Total expenditures	6,955,839	25,884,822	4,808,849	2,555,336	5,665,697	17,078,703	81,841,248
Excess (deficiency) of revenues over (under) expenditures	(275,413)	(12,660,286)	2,083,271	5,837,702	(5,550,965)	(4,447,305)	(14,712,988)
Other financing sources (uses):							
Proceeds from sale of bonds					11,835,000		11,835,000
Premium on bonds sold					573,404		573,404
Transfers in	912,494	5,389,745			4,741,922	6,067,099	17,101,260
Transfers out	(675,000)	(1,387,100)	(415,200)	(3,128,000)		(11,151,438)	(18,764,738)
Total other financing sources (uses)	237,494	4,002,645	(415,200)	(3,128,000)	17,150,326	(5,084,339)	12,784,828
Excess (deficiency) of revenues and other sources over expenditures and other uses	(37,919)	(8,657,641)	1,668,071	2,911,702	11,599,391	(9,541,644)	(1,838,070)
Fund balances at beginning of year, restated	3,435,459	18,583,646	13,545,889	4,590,483		28,373,957	68,912,414
Fund balances at end of year	\$ 3,397,540	\$ 9,926,005	\$ 15,213,960	\$ 7,502,185	\$ 11,599,391	\$ 18,832,315	\$ 84,884,344

The accompanying notes are an integral part of this statement.

Bossier Parish Policy Jury
Benton, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2012

Net change in fund balances - total governmental funds \$ (1,958,070)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$17,247,781) exceeded depreciation (\$8,313,213) in the current period. 8,934,568

The net effect of various transactions involving capital assets (sales, trade-ins, donated infrastructure, etc.) is to increase net assets. 13,859,532

Bond issuance costs are capitalized and amortized over the life of the bond issue for the government-wide statements, but are reported as expenditures in the governmental funds. (81,563)

The repayment of principal of long-term debt consumes current financial resources of governmental funds. 9,208,444

The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources. 18,343

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 437,431

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds. (59,388)
Compensated absences (1,145,352)
Other post-employment benefits liabilities

Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. (125,300)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. (11,835,000)
Bonds payable

Unamortized premiums on bond issuance are not recognized in the funds (573,404)

Change in net position of governmental activities \$ 16,878,243

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Net Position
Proprietary Fund
December 31, 2012

	<u>Business-Type Activities- Enterprise Funds</u>
Assets	
Current:	
Current assets:	
Cash and cash equivalents	\$ 492,954
Receivables (net of allowance for uncollectibles)	163,429
Prepaid expenses	24,511
Total current assets	<u>680,894</u>
Noncurrent assets:	
Restricted cash and cash equivalents	79,810
Capital assets:	
Land	406,000
Goodwill	1,226,000
Construction in process	2,393,580
Plant and equipment	5,787,702
Less: accumulated depreciation	(133,441)
Unamortized bond issuance costs	109,762
Total noncurrent assets	<u>9,869,413</u>
Total assets	<u>10,550,307</u>
Liabilities:	
Current liabilities:	
Accounts payable	5,373
Payable from restricted assets:	
Customer deposits	79,810
Total current liabilities	<u>85,183</u>
Noncurrent liabilities:	
Sewer revenue bonds	463,275
Advance from police jury	7,940,934
Total noncurrent liabilities	<u>8,404,209</u>
Total liabilities	<u>8,489,392</u>
Net position	
Invested in capital assets, net of related debt	1,275,632
Unrestricted	785,283
Total net position	<u>\$ 2,060,915</u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2012

	Business-Type Activities- Enterprise Funds
Operating revenues:	
Water sales	\$ 436,898
Sewerage service charges	696,531
Sprinkler fees	28,715
Delinquent charges	18,085
Miscellaneous revenues	8,478
Total operating revenues	<u>1,184,687</u>
Operating expenses:	
Legal and accounting	2,310
Workers compensation	5,005
Chemicals	15,942
Maintenance and repairs	44,445
Miscellaneous expenses	7,210
Office expense	8,483
Material and supplies	23,612
Utilities	28,354
Dues:	20,872
Utility/billing/fees	5,275
Sewage and water monitoring	6,942
Operations	16,500
Depreciation	125,893
Total operating expenses:	<u>310,843</u>
Operating income	<u>873,844</u>
Capital contributions	298,539
Transfers out	(346,522)
Total other financing sources (uses)	<u>(47,983)</u>
Change in net position	825,861
Net position - beginning of year	<u>1,235,054</u>
Net position - end of year	<u><u>\$ 2,060,915</u></u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2012

	Business-Type Activities- Enterprise Funds
Cash Flows From Operating Activities	
Receipts from customers	\$ 1,094,590
Cash payments to suppliers for goods and services	(204,088)
Other receipts (payments)	6,478
Net Cash From Operating Activities	<u>896,980</u>
Cash Flows From Non-Capital Financing Activities	
Transfers to other funds	(346,522)
Net Cash (used in) Non-capital Financing Activities	<u>(346,522)</u>
Cash flows from Capital and Related Financing Activities	
Proceeds from utility revenue bonds	463,275
Acquisition / construction of capital assets	(331,207)
Bond issuance costs	(109,762)
Net Cash from Capital and Related Financing Activities	<u>22,306</u>
Net increase in cash and cash equivalents	672,764
Cash, Beginning of year	<u> </u>
Cash, End of year	<u><u>\$ 572,764</u></u>
Reconciliation of Operating Loss to Net Cash Provided	
By/(Used In) Operating Activities	
Operating income (loss)	\$ 873,844
Adjustments to reconcile operating loss to net cash	
provided (used) by operating activities	
Depreciation expense	125,893
Accounts receivable	(163,429)
Prepays:	(24,511)
Accounts payable and accrued expenses	5,373
Customer deposits	79,810
Net Cash Flows From Operating Activities	<u><u>\$ 896,980</u></u>
Supplemental Schedule of Noncash Capital and Related Financing Activity:	
Capital assets acquired	\$ 4,189,128
Advance from police jury	(3,559,382)
Contributed capital from police jury	(298,539)
Cash paid for capital assets	<u><u>\$ 331,207</u></u>

The accompanying notes are an integral part of this statement.

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012

INTRODUCTION

The Bossier Parish Police Jury is the governing authority for Bossier Parish and is a political subdivision of the State of Louisiana. The Police Jury is governed by 12 jurors representing the various districts within the parish. The jurors serve four-year terms that expire in December 2015.

Louisiana Revised Statute (R.S.) 33:1238 gives the police jury various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of those are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales tax, beer and alcoholic beverage permits, state revenue sharing, gaming tax revenues, and various other state and federal grants.

(1) Summary of Significant Accounting Policies

The Bossier Parish Police Jury's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, issued in June 1999. The more significant accounting policies established in GAAP and used by the Bossier Parish Police Jury are discussed below.

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Bossier Parish Police Jury is the financial reporting entity for Bossier Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with police jury are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

GASB Statement No. 14 established criteria for determining which component units should be considered part of the Bossier Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Blended Component Unit – Component units that are legally separate from the police jury, but are so intertwined with the police jury that they are, in substance, the same as the police jury are blended component units. For a component unit to be blended, the organization's board and the police jury must be substantively the same, or the organization must provide services entirely or almost entirely to the police jury. The following component unit is reported as part of the police jury and blended with the appropriate police jury funds:

Bossier Parish Library. Bossier Parish Library does not possess all the corporate powers necessary to make them a legally separate entity and the police jury holds the Library's corporate powers. Therefore, we conclude that they are part of the police jury and their financial statements should be blended with those of the police jury.

Consolidated Waterworks / Sewerage District No. 1. The board of the Consolidated Waterworks / Sewerage District No. 1 is substantially the same as the police jury and police jury can impose its will on the District by significantly influencing the activities of the District. Therefore, we conclude that they are part of the police jury and their financial statements should be blended with those of the police jury.

Discrete Component Units – Component units that are legally separate from the police jury, but are financially accountable to the police jury, or whose relationship with the police jury are such that exclusion would cause the police jury's financial statements to be misleading or incomplete are discretely presented. The police jury has identified the following discrete component units:

Bossier Parish Sheriff's Office, Bossier Parish Clerk of Court, Bossier Parish Tax Assessor, and the District Attorney for the Twenty-Sixth Judicial District. Even though these are independently elected officials and are legally separate from the police jury, they are fiscally dependent on the police jury. The officials are fiscally dependent because the police jury has approval authority over the officials' capital budget. The police jury has approval authority over the officials' capital budget because the office space for the officials is furnished by the police jury, major capital purchases for the officials are included in the police jury's overall budget, and title to real property is in the name of the police jury. By using the fiscal dependency criterion, we conclude that these organizations are component units of the police jury.

Bossier Parish Communications District Number One. This entity was created by the police jury. The Communications District is governed by a Board of Commissioners which are appointed by the police jury. The police jury is financially accountable for the communication district because it appoints a voting majority of the governing board and has the ability to impose its will on them.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

Other Special Districts

There are a number of special districts located in Bossier Parish (fire and ambulance) that each provide services to a limited number of parish citizens. The police jury appoints all board members of those districts which do not include a municipality within their boundaries. Therefore, the police jury can impose its will on these districts. While these districts are responsible for obtaining voter approval for the levy of taxes or debt issuance, all related Louisiana State Bond Commission approvals must be obtained through the police jury. The police jury appoints two of the five board members of those districts which include a municipality and therefore cannot impose its will on these entities. However, it would be misleading to include some like districts in the financial statements while excluding others. These agencies are:

East-Central Bossier Parish Fire Protection District No. 1
South Bossier Parish Fire Protection District No. 2
Ivan Fire Protection District No. 3
Benton Fire Protection District No. 4
Northeast Bossier Parish Fire Protection No. 5
Bossier Parish Emergency Medical Services District
Fire Protection District No. 7, Parish of Bossier

Complete financial statements of the individual component units may be obtained from their respective administration offices or from the Bossier Parish Police Jury at the Bossier Parish Courthouse in Benton, Louisiana.

The police jury has chosen to issue financial statements of the primary government (police jury) only; therefore, none of the previously listed discrete component units are included in the accompanying financial statements.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (police jury) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (police jury).

Other Related Organizations

Considered in the determination of component units of the reporting entity were the following:

Cypress-Black Bayou Recreation and Water Conservation District and Shreveport-Bossier Convention and Tourist Bureau. The police jury appoints only one (1) board member and has no significant contact or influence to the recreation district and tourist bureau.

The police jury appoints one (1) of seven (7) board members of the Caddo-Bossier Port Commission but has no significant contact or influence within the Port Commission.

(Continued)

**Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)**

The police jury appoints the board members of the Industrial Development Board of the Parish of Bossier, Inc., but does not have the ability to impose its will and no financial benefit/burden relationship exists between them.

It was determined that these governmental entities are not component units of the Bossier Parish Police Jury reporting entity because of the reasons listed above.

B. Basic Financial Statements – Government-Wide Statements

The Bossier Parish Police Jury's basic financial statements include both government-wide (reporting the funds maintained by the Bossier Parish Police Jury as a whole) and fund financial statements (reporting the Bossier Parish Police Jury's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Consolidated Waterworks / Sewerage District No. 1 is classified as business-type activities. All other funds of the police jury are categorized as governmental activities.

In the government-wide Statement of Net Position, both the governmental activities and business-type activities columns are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables, as well as long-term debt and obligations. The Bossier Parish Police Jury's net position is reported in three parts – invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Bossier Parish Police Jury's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating, and capital grants. Program revenues must be directly associated with the function. Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations of providing water and sewer services.

The net costs (by function) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

This government-wide focus is more on the sustainability of the Bossier Parish Police Jury as an entity and the change in the Bossier Parish Police Jury's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Bossier Parish Police Jury are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-

(Continued)

**Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
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balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Bossier Parish Police Jury:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Bossier Parish Police Jury:

- a. General fund is the general operating fund of the Bossier Parish Police Jury. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
- c. Debt service funds are used to account for all financial resources that are restricted, committed, or assigned to expenditure for principal and interest.
- d. Capital projects funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays.

Proprietary Funds – the focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the police jury:

- a. Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Consolidated Waterworks / Sewerage District is reported in the enterprise fund.

The emphasis in fund financial statements is on the major funds in the governmental category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds.

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

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**Bossier Parish Police Jury
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Highway Fund – accounts for property taxes, sales taxes, gaming revenues, grants, and various other revenues which are used to fund the construction and maintenance of parish highways, streets, and bridges.

Library Fund – accounts for property taxes and various other revenues used to fund the operation and maintenance of the parish libraries.

Capital Improvements Fund – accounts for the sales taxes received for capital improvement purposes, including the construction and maintenance of a maximum security jail and courthouse facilities.

LCDA Sewer Construction Fund – accounts for the proceeds of LCDA Revenue Bonds and the use of such proceeds for the acquisition and construction of sewer systems and sewer improvements.

Consolidated Waterworks / Sewerage District No. 1 - The Consolidated Waterworks / Sewerage District was created by the Bossier Parish Police Jury for the purpose of acquiring a waterworks and sewerage system, and constructing and acquiring improvements and extensions to the waterworks and sewerage system. This fund is reported as an enterprise fund in the accompanying financial statements.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Budgets

The Policy Jury uses the following budget practices:

Proposed budgets for the ensuing year are prepared by the Treasurer during October of each year. During the month of November, the finance committee reviews the proposed budgets and makes changes as it deems appropriate. The availability of the proposed budgets for public

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**Bossier Parish Police Jury
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inspection and the date of the public hearing on the budgets are then advertised in the official journal. The police jury holds a public hearing on the proposed budgets in order to receive comments from the public and other interested parties. Changes are made to the proposed budgets based on the public hearing and the desires of the police jury as a whole. The budgets are then adopted during a regular meeting or a special meeting held no later than 15 days prior to the beginning of the fiscal year, and notice is published in the official journal.

The police jury receives periodic budget comparison statements during the year that are used as a tool to control the operations of the parish. The Treasurer presents necessary budget amendments to the police jury during the year when, in their judgment, actual operations differ materially from those anticipated in the original budgets. During a regular or special meeting, the police jury reviews the proposed amendments, makes changes as it feels necessary, and formally adopts the amendments. The adoption of the amendments is included in the police jury minutes published in the official journal.

The police jury exercises budgetary control at the functional level. Within functions, the Treasurer has the authority to make amendments of up to 5%, as necessary. Unexpended appropriations lapse at year end and must be reappropriated in the next year's budget to be expended.

The availability of proposed budgets and the date of the public hearing for the 2012 budgets were published in the official journal on November 25, 2011. The 2012 budget hearings were held, and the budgets adopted at the jury meeting on December 7, 2011. Notice of adoption of the budgets was subsequently advertised in the official journal.

For the year ended December 31, 2012, the police jury adopted budgets on a cash basis for all funds.

F. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, demand deposits, interest bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the police jury may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments are limited by R.S. 33:2955 and the police jury's investment policy. Investments are reported at fair value.

For the purposes of the Statement of Cash Flows, the Sewer Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

G. Restricted Cash

Restricted cash represents amounts required by debt covenants to be segregated for capital projects, and debt service, as well as amounts restricted for customer deposits for the Consolidated Waterworks/Sewerage District No. 1.

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Bossler Parish Police Jury
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Notes to Financial Statements
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H. Deferred Bond Issuance Cost

In the government-wide statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method, with approximate the effective interest method. Unamortized issuance costs are recorded as a separate line item on the Statement of Net Assets. Included in interest expense for the year ended December 31, 2012 was amortization of \$300,675. For bond refundings resulting in the defeasance of debt reported in the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expenses.

I. Capital Assets

Capital assets, except for infrastructure, purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Infrastructure assets purchased or acquired with an original cost of \$200,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received.

Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40-75 years
Infrastructure	10-50 years
Furniture	7-10 years
Equipment	5-30 years
Vehicles	5-25 years
Library books and Information	5 years

J. Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year. Sales tax revenues are recorded in the period in which the underlying exchange has occurred. Gaming tax revenues are recorded in the period during which the exchange transactions on which the tax is imposed occur. Fines, forfeitures, fees, and court costs are recognized in the period they are collected by the Bossler Parish Sheriff. Interest income on demand and time deposits is recorded when earned.

Federal and state grants are recorded when the police jury is entitled to the funds, except for certain federal grants which require funds not expended to be returned to the funding source. On those grants revenue is recognized only upon expending those funds. Grant funds received but not expended are reflected in the financial statements as deferred revenue.

K. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements.

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Bossier Parish Police Jury
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L. Deferred Revenue

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied. On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

M. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the police jury or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The police jury's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

N. Sales Taxes

During 1995 a special election was held in which a 1 ½% sales tax was passed in the Rural Sales Tax District of the Parish of Bossier, State of Louisiana. The sales tax is to be used for opening, operating, constructing and maintaining the public roads, bridges and drainage facilities.

During 1999, a special election was held in which a ¼% sales tax was passed in the Sales Tax District No. 1 of Bossier Parish, State of Louisiana. The sales tax is to be used for constructing, improving, acquiring, operating and maintaining facilities and equipment, ambulance service and otherwise paying the cost of ambulance service for the residents of Bossier Parish.

During 2000, a special election was held in which a ¼% sales tax was passed in the Parish of Bossier, State of Louisiana. The sales tax is to be allocated 70% to the Bossier Parish Police Jury and 30% to the Law Enforcement District of the Parish of Bossier, represented by the Sheriff of Bossier Parish. The parish's share is to be used for capital improvement purposes including a maximum security jail and courthouse facilities. The 30% which is allocated to the Law Enforcement District of the Parish is sent directly to the Sheriff of Bossier Parish and is not reflected in the financial statements of the police jury.

O. Compensated Absences

Employees of the police jury earn from 5 to 15 days of vacation leave each year, depending on their lengths of service. In the event that available vacation is not used by the end of the benefit year, employees will be allowed to carry over all unused vacation time. Upon termination of employment, unused vacation benefits will be paid, up to a maximum of six (6) months. Accumulated vacation leave, or a portion thereof, may be converted to additional retirement benefit credit upon application for normal retirement, based on the rules and regulations determined by the retirement system to which they contribute.

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Employees of the police jury will accrue sick leave benefits which are calculated on the basis of a "benefit year" at the rate of 12 days per year. Unused sick leave will be allowed to accumulate without limit. Unused sick leave benefits will not be paid to employees while they are employed or upon termination of employment.

Employees of the library earn from 6 to 24 days of vacation leave each year, depending on their professional status. Employees may carry no more than one-half of their normal yearly benefit forward to the next benefit year. Upon termination of employment, employees will be paid for unused vacation time that they are eligible for according to the police jury policy. Employees earn 12 days of sick leave each year that may be accumulated without limit. Accumulated sick leave is used in the employee's retirement benefit computation. Accumulated sick leave is forfeited upon termination of employment.

The current portion of compensated absences payable (the amount estimated to be used during the period of availability) is recorded as a liability in the fund financial statements. The entire balance of compensated absences payable is recognized as a liability in the government-wide financial statements. The non-current portion represents a reconciling item between the fund and government-wide statements.

P. Interfund Activity

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Q. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

R. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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S. Fund Balance

GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

1. **Nonspendable fund balances** are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.

2. **Restricted fund balances** are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

3. **Committed fund balances** include amounts that can be used only for the specific purposes as a result of constraints imposed by the Police Jury (the Police Jury's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the Police Jury removes those constraints by taking the same type of action (i.e. legislation, resolution, or ordinance).

4. **Assigned fund balances** are amounts that are designated by the Police Jury to be used for specific purposes, but are neither restricted nor committed. Amounts are assigned through the police jury's budgetary process.

5. **Unassigned fund balance** are the residual classification for the Police Jury's general fund and include all spendable amounts not contained in the other classifications.

When both restricted and unrestricted fund balances are available for use, it is the Police Jury's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

(2) New Accounting Standards

Effective January 1, 2012, the Police Jury implemented GASB Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position."* This Statement establishes standards for reporting deferred outflows of resources, deferred inflows of resources, and net position.

(3) Restatement of Net Assets

Net assets at December 31, 2011 were restated to reflect funds returned to funding source for the Section 8 program, as follows:

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	<u>Government-wide Governmental Activities</u>	<u>Fund Financial Statements</u>
Net assets, December 31, 2011	\$ 259,512,716	\$ 67,000,137
Amounts returned to funding source, Section 8 program	<u>(87,723)</u>	<u>(87,723)</u>
Net assets, December 31, 2011, restated	<u>\$ 259,424,993</u>	<u>\$ 66,912,414</u>

(4) Levied Taxes

The following is a summary of authorized and levied ad valorem taxes for the primary government for the year ended December 31, 2012:

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parishwide taxes:			
General maintenance:			
Outside municipalities	4.00	2.68	Statutory
Within municipalities	2.00	1.34	Statutory
Road maintenance	2.01	2.01	2017
Library	8.31	7.57	2015
Health unit maintenance	.82	.83	2017
Correctional facilities	3.00	3.00	2021

The differences between authorized and levied millages are the result of the reassessment of taxable property required by Article 7, Section 23 of the Louisiana Constitution of 1974.

(5) Cash, Cash Equivalents, and Investments

At December 31, 2012, the police jury has cash, cash equivalents and investments (book balances), totaling \$45,407,642 as detailed below.

A. Cash and Cash Equivalents

Cash and cash equivalents at December 31, 2012 (book balances) totaled \$45,372,859, of which \$8,948,826 is shown as restricted. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Investments

At December 31, 2012, the police jury had investments totaling \$34,983 consisting of U.S. Treasury Bills and Notes with maturity dates in January, 2013. The market value of this

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particular type of investment is not materially different from its carrying amount. The investments are in the name of the police jury and are held by the police jury's fiscal agent.

C. Credit Risk.

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2012, \$11,706,963 of the Police Jury's bank balances totaling \$48,809,946 were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging bank's
trust department not in the Police Jury's name:

Cash and cash equivalents	<u>\$ 11,706,963</u>
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Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

D. Restricted Cash and Investments

Restricted cash at December 31, 2012, consists of amounts restricted for the acquisition, construction, or improvement of streets and roads, waterworks/sewerage facilities, and a recreation facility within the parish, for debt service, and for customer deposits of the Consolidated Waterworks / Sewerage District No. 1.

(8) Receivables

The following is a summary of receivables at December 31, 2012:

<u>Class of Receivable</u>	
Governmental activities –	
Ad valorem taxes	\$ 13,313,069
Sales and use taxes	1,745,450
Intergovernmental	974,910
Grants	325,186
Fees, charges, and commissions for services	93,087
Fines and forfeitures	68,339
Gaming	342,856
Mineral leases	37,209
Other	<u>141,756</u>
Total – governmental activities	<u>\$ 17,041,862</u>
Business-type activities –	
Accounts receivable – water and sewer charges	<u>\$ 163,429</u>

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(7) Capital Assets

Capital asset activity for the year ended December 31, 2012, was as follows:

	Balance at Jan. 1, 2012	Transfers	Additions	Deletions	Balance at Dec. 31, 2012
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 11,008,200	\$	\$ 627,124	\$	\$ 11,633,324
Construction in progress	9,026,422	(5,977,507)	8,258,836		11,307,751
Total capital assets, not being depreciated	20,032,622	(5,977,507)	8,885,960		22,941,075
Capital assets, being depreciated:					
Buildings and improvements	107,230,589		150,805		107,381,194
Infrastructure	174,811,343	5,977,507	21,236,854		201,825,504
Furniture, equipment & vehicles	10,211,170		439,764	(410,417)	10,240,517
Library books and information material	3,739,203		417,685		4,156,888
Total capital assets, being depreciated	295,792,305	5,977,507	22,244,688	(410,417)	323,604,083
Less accumulated depreciation:					
Buildings and improvements	(18,839,429)		(2,579,573)		(21,419,002)
Infrastructure	(38,641,632)		(4,686,019)		(41,327,651)
Furniture, equipment & vehicles	(5,521,911)		(684,581)	409,388	(5,797,114)
Library books and information material	(2,800,310)		(363,030)		(3,163,340)
Total accumulated depreciation	(63,803,282)		(8,313,213)	409,388	(71,707,107)
Total capital assets, being depreciated, net	231,989,023	5,977,507	13,931,475	(1,029)	251,898,976
Governmental activities capital assets, net	\$252,021,645	\$	\$ 22,817,435	\$ (1,029)	\$274,838,051

Depreciation expense was charged to Governmental Activities as follows:

Judicial	\$ 4,285
Public safety	113,726
Public works	6,379,491
Health and welfare	18,156
Culture and recreation	589,134
Capital projects	202,412
Economic development	894,312
General government - other	111,697
	<u>\$ 8,313,213</u>

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	Balance at Jan. 1, 2012	Transfers	Additions	Deletions	Balance at Dec. 31, 2012
<u>Business-Type Activities:</u>					
Capital assets, not being depreciated:					
Land	\$ 401,000	\$	\$ 860,868	\$	\$ 1,261,868
Goodwill	1,228,000				1,228,000
Construction in progress	1,732,879		639,051		2,371,730
Total capital assets, not being depreciated	3,359,679		1,499,919		4,859,598
Capital assets, being depreciated:					
Buildings and improvements	2,264,475		2,689,209		4,953,684
Total capital assets, being depreciated	2,264,475		2,689,209		4,953,684
Less accumulated depreciation:					
Buildings and improvements	(7,548)		(125,893)		(133,441)
Total accumulated depreciation	(7,548)		(125,893)		(133,441)
Total capital assets, being depreciated, net	2,256,927		2,563,316		4,820,243
Business-type activities capital assets, net	\$ 5,616,606	\$	\$ 4,063,235	\$	\$ 9,679,841

Depreciation expense was charged to Business-Type Activities as follows:

Water and Sewer	<u>\$ 125,893</u>
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(8) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at December 31, 2012, consisted of the following:

<u>Class of Payable</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Salaries and benefits	\$ 185,939	—	\$ 185,939
Accounts	3,163,059	—	3,163,059
Compensated absences	37,527	—	37,527
Other	—	5,373	5,373
Total – fund statements	<u>3,386,525</u>	<u>5,373</u>	<u>3,391,898</u>
Accrued interest	628,095	—	628,095
Total – government-wide statements	<u>\$ 4,014,620</u>	<u>\$ 5,373</u>	<u>\$ 4,019,993</u>

(9) Interfund Balances

Interfund balances, on the fund statements, at December 31, 2012 consisted of the following:

<u>Due To</u>	<u>Due From</u>			<u>Total</u>
	<u>Highway</u>	<u>Capital Improvements</u>	<u>Non-Major Governmental Funds</u>	
General	\$ 65,782	\$ 11,300	\$ 10,730	\$ 87,812
Highway	—	—	10,000	10,000
Non-Major Governmental Funds	—	—	8,373	8,373
Total	<u>\$ 65,782</u>	<u>\$ 11,300</u>	<u>\$ 27,103</u>	<u>\$ 104,185</u>

The interfund balances are the result of the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

(10) Interfund Transfers

Interfund transfers for the year ended December 31, 2012 consisted of the following:

<u>Transfer To</u>	<u>Transfer From</u>							<u>Total</u>
	<u>General</u>	<u>Highway</u>	<u>Library</u>	<u>Capital Improvements</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>	<u>Proprietary Fund</u>	
General	\$ —	\$ 75,000	\$ —	\$ 803,000	\$ 32,494	\$ 912,494	—	\$ 912,494
Highway	—	—	—	—	6,389,745	5,389,745	—	5,389,745
LCDA	—	—	—	—	4,417,708	4,417,708	324,214	4,741,922
Non-Major Governmental Funds	875,000	1,312,100	418,200	2,321,000	1,311,491	8,034,791	22,308	8,057,099
Total	<u>\$ 875,000</u>	<u>\$ 1,387,100</u>	<u>\$ 418,200</u>	<u>\$ 3,128,000</u>	<u>\$ 11,151,438</u>	<u>\$ 18,754,738</u>	<u>\$ 346,522</u>	<u>\$ 17,101,280</u>

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Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfers in the government-wide financial statements have been adjusted for the reclassification of contributed capital transferred from governmental activities to business-type activities of \$298,539. This amount consists of the transfer of capital assets purchased with capital outlay funding from the sewer construction governmental fund to the Consolidated Waterworks / Sewerage District No. 1 enterprise fund.

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(11) Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Certificate of Indebtedness:					
Certificates of Indebtedness, Series 2005 (Library)	\$ 1,560,000	\$ -	\$ (385,000)	\$ 1,195,000	\$ 380,000
Total certificate of Indebtedness	<u>1,560,000</u>	<u>-</u>	<u>(385,000)</u>	<u>1,195,000</u>	<u>380,000</u>
Revenue Bonds:					
Sales Tax Bond 2010	5,000,000	-	(5,000,000)	-	-
Sales Tax Bond 2010A	24,830,000	-	-	24,830,000	-
Sales Tax Bond 2010B	4,885,000	-	(2,415,000)	2,470,000	2,470,000
Series 2010 Build America Bond	7,442,000	-	(740,000)	6,702,000	760,000
Revenue Bonds Series 2012 (LCDA CWWSD)	-	11,835,000	-	11,835,000	-
Unamortized premium - series 2012	-	573,404	-	573,404	-
Revenue Bonds Series 2007 (LCDA Improvements)	<u>14,920,000</u>	<u>-</u>	<u>(680,000)</u>	<u>14,240,000</u>	<u>705,000</u>
Total Revenue Bonds	<u>57,077,000</u>	<u>12,408,404</u>	<u>(8,835,000)</u>	<u>60,650,404</u>	<u>3,935,000</u>
Other long-term liabilities:					
Special Assessment Debt- Paving Certificates	6,444	-	(6,444)	-	-
Compensated absences	272,191	308,506	(240,105)	340,592	210,748
Other post-employment benefit obligations	<u>4,915,898</u>	<u>1,145,352</u>	<u>-</u>	<u>6,061,348</u>	<u>-</u>
Total other long-term liabilities	<u>5,194,631</u>	<u>1,453,858</u>	<u>(246,549)</u>	<u>6,401,940</u>	<u>210,748</u>
Governmental activities long-term liabilities	<u>\$ 63,831,631</u>	<u>\$ 13,862,262</u>	<u>\$ (9,448,549)</u>	<u>68,247,344</u>	<u>4,625,748</u>
Less amounts due within period of availability- recorded in accounts payable				<u>(37,527)</u>	<u>(37,527)</u>
Total long-term liabilities, government-wide statements				<u>\$ 68,209,817</u>	<u>\$ 4,488,221</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-type Activities:					
Utility Revenue					
Bonds	\$ —	\$ 463,275	\$ —	\$ 463,275	\$ —

Certificates of indebtedness are comprised of the following issues:

Series 2005, original amount \$3,400,000 for the purpose of acquiring, constructing, improving and equipping the public library facilities and system; due in annual installments of \$240,000 to \$415,000 through March 1, 2015; interest rate of 3.67%; repayment of debt is paid from ad valorem taxes from the Library Fund

\$ 1,195,000

Governmental activities revenue bonds consist of the following issues:

Sales Tax Refunding Bonds, Series 2010A, original amount \$24,830,000 for the purpose of advance refunding the Series 2002 Bonds, thus providing debt reductions and recapture of the reserve fund; interest rate 2.73%; due in annual installments of approximately \$1,800,000 to \$3,230,000 through 2022. Repayment of debt will be from sales tax revenues.

\$ 24,830,000

Taxable Sales Tax Refunding Bonds, Series 2010B, original amount \$8,310,000 for the purpose of advance refunding the Series 2002 Bonds, thus providing debt reductions and recapture of the reserve fund; interest rates range from 1.09% to 1.50%; due in annual installments of approximately \$1,400,000 to \$2,400,000 through 2013. Repayment of debt will be from sales tax revenues.

2,470,000

Series 2010, Build America Bonds, original amount \$8,162,000 for the acquiring, upgrade, expansion and construction of parish owned public improvements; interest rate of 5.00%; due in annual installments of approximately \$720,000 to \$919,000 through 2020. Repayment of debt will be from any lawfully available funds.

6,702,000

(Continued)

**Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)**

Series 2012, Revenue Bonds, original amount \$11,835,000 for the acquisition, upgrade, expansion, construction and equipping parish owned public improvements; interest rate of 2.0% to 5.00%; due in annual installments of approximately \$413,060 to \$1,209,000 through 2042. Repayment of debt will be from any lawfully available funds.

11,835,000

Series 2007, original amount \$17,325,000 for the purpose of the acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public; interest rates range from 4.00% to 4.50%; due in annual installments of approximately \$1,310,000 through 2027. Repayment of debt will be from any lawfully available funds.

14,240,000

\$ 60,077,000

Business-type activities utility revenue bonds consist of the following issues:

Series 2012, Utilities Revenue Bonds, total amount available \$17,750,000 for constructing and acquiring improvements, extensions and replacements to the sewer system or any portion thereof; interest rate of .45% due in semi-annual installments of approximately \$39,938 through 2014 then annual amounts of approximately \$900,000 to \$975,000 through 2034. Payable from income and revenues derived from the sewer system. As of December 31, 2012, only \$463,275 was drawn on this issue through the Clean Water State Revolving Fund administered by the Louisiana Department of Environmental Quality.

\$ 463,275

In-substance Defeasance of Series 2002 Indebtedness

In December, 2010, the police jury issued \$24,830,000 of Sales Tax Refunding Bonds, Series 2010A and \$6,310,000 of Taxable Sales Tax Refunding Bonds Series 2010B, which was used for advance refunding of the Series 2002 indebtedness outstanding principal amount, (Refunded Bonds). The net proceeds of \$30,743,472 (after payment of cost of issuance) and approximately \$1,293,552 from the Refunded Bonds sinking and reserve funds were placed in special irrevocable trust fund established pursuant to the terms of an Escrow Deposit Agreement dated December 1, 2010 between the police jury and the Escrow Holder. The Escrow Holder used the proceeds to purchase a portfolio of Restricted Escrow Obligations which will be invested in the obligations of the United States of America. The Restricted Escrow Obligations will have maturities and interest rates sufficient to pay principal and interest payments and redemption premiums on the Refunded Bonds on the date the payments are due.

The police jury refunded the above indebtedness to obtain an economic gain (difference between the present values of debt service payments on the old and new debt) of approximately \$1,182,540.

The Series 2002 indebtedness was paid off in July, 2012. As a result, the escrow accounts were closed out.

(Continued)

Bossier Parish Police Jury
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Notes to Financial Statements
December 31, 2012
(Continued)

Payments on long-term debt – certificates of indebtedness and revenue bonds are made from debt service funds. Compensated absences liability will be liquidated through various governmental funds. The liability for compensated absences at December 31, 2012, was allocated to the following funds: General fund (28%), Highway fund (35%), Library fund (25%), and Non-Major Governmental funds (12%).

Debt service requirements at December 31, 2012, were as follows:

<u>Fiscal Year</u>	<u>Certificate of Indebtedness</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 380,000	\$ 36,884	\$ 416,884
2014	400,000	22,570	422,570
2015	415,000	7,615	422,615
	<u>\$ 1,195,000</u>	<u>\$ 67,069</u>	<u>\$ 1,262,069</u>

<u>Fiscal Year</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	3,935,000	2,187,465	6,122,465
2014	4,051,000	2,084,215	6,135,215
2015	4,343,000	1,945,160	6,288,160
2016	4,500,000	1,799,624	6,299,624
2017	4,648,000	1,648,959	6,296,959
2018–2022	22,255,000	5,832,128	28,087,128
2023–2027	6,720,000	3,221,131	9,941,131
2028–2032	1,185,000	2,218,500	3,403,500
2033–2037	3,175,000	1,810,500	4,985,500
2038–2042	5,265,000	759,350	6,024,350
	<u>\$60,077,000</u>	<u>\$23,507,032</u>	<u>\$83,584,032</u>

<u>Fiscal Year</u>	<u>Utility Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$	\$	\$
2014			
2015	21,141	1,214	22,355
2016	21,350	1,226	22,576
2017	21,533	1,236	22,769
2018–2022	110,821	6,362	117,183
2023–2027	116,197	6,670	122,867
2028–2032	121,861	6,995	128,856
2033–2034	50,372	2,892	53,264
	<u>\$ 463,275</u>	<u>\$ 26,595</u>	<u>\$ 489,870</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

(12) Pension Plan

Plan Description. Substantially all employees of the Bossier Parish Police Jury are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the police jury are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 65 with at least 7 years of creditable service, at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy. State statute requires covered employees to contribute a percentage of their salaries to the plan. As provided by R.S. 11:103, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Under Plan A, members are required by state statute to contribute 9.5% of their annual covered salary and the Bossier Parish Police Jury is required to contribute at an actuarially determined rate. Contribution rates were 15.75%, 15.75%, and 15.75% of annual covered payroll for 2012, 2011, and 2010, respectively. Contributions to the System include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The Bossier Parish Police Jury's contributions to the System under Plan A for the years ending December 31, 2012, 2011, and 2010, were \$1,347,529, \$1,313,370, and \$1,260,641, respectively, equal to the required contributions for each year.

(13) Other Postemployment Benefits

Plan Description – The Bossier Parish Police Jury administers a single-employer defined benefit Other Post Employment Benefit plan (OPEB). The Bossier Parish Police Jury's medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement.

Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. For the few employees not covered by that system, the same retirement eligibility has been assumed. Complete plan provisions are included in the official plan documents.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

Dental insurance coverage is provided to retirees. The employer pays 80% of the cost of the dental insurance for the retiree dependents. We have used the unblended rates provided. All of the assumptions used for the valuation of the medical benefits have been used for dental insurance except for the trend assumption; zero trend was used for dental insurance. The dental actuarial costs and liabilities are included in the medical results.

Life insurance coverage is available to retirees and the blended rate (active and retired) is approximately \$0.22 per \$1,000 of insurance. The retiree pays 20% of the "cost" of the retiree life insurance, but it is based on the blended rate. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described below to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance. All of the assumptions used for the valuation of the medical benefits have been used except for the trend assumption; zero trend was used for life insurance. Retiree insurance coverage amounts are reduced to a flat \$9,000, although certain current retirees have different amounts from prior schedules.

Contribution Rates – Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents.

Fund Policy – Until 2008, the Bossier Parish Police Jury recognized the cost of providing post-employment medical and life insurance benefits (the Bossier Parish Police Jury's portion of the retiree medical and life insurance benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. In 2012 and 2011, the police jury's portion of medical and life insurance funding cost for retired employees totaled \$251,342 and \$252,013, respectively.

Effective January 1, 2008, the Bossier Parish Police Jury implemented Government Accounting Standards Board Statement Number 45, *Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions* (GASB 45). This amount was applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution – The Bossier Parish Police Jury's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC is the sum of the Normal Cost plus the contribution to amortize the Unfunded Actuarial Accrued Liability (UAAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The actuarially computed ARC is as follows:

	2012	2011
Normal cost	\$ 717,082	\$ 936,484
30-year UAL amortization amount	721,833	912,915
Annual required contribution (ARC)	\$ 1,438,925	\$ 1,849,399

Net Post-employment Benefit Obligation (Asset) – The table below shows the Bossier Parish Police Jury's Net Other Post-employment Benefit (OPEB) Obligation for fiscal years ending December 31:

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

	<u>2012</u>	<u>2011</u>
Beginning Net OPEB Obligation	\$ 4,962,242	\$ 3,425,942
Annual required contribution	1,438,925	1,849,389
Interest on Net OPEB Obligation	198,490	137,038
ARC Adjustment	<u>(286,967)</u>	<u>(198,123)</u>
OPEB Cost	1,350,448	1,788,314
Contribution	-	-
Current year retiree premium	<u>(251,342)</u>	<u>(252,013)</u>
Change in Net OPEB Obligation	<u>1,099,106</u>	<u>1,536,301</u>
Ending Net OPEB Obligation	\$ <u>6,061,348</u>	\$ <u>4,962,242</u>

The following table shows the Bossier Parish Police Jury's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability for last year and this year:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual Cost Contributed</u>	<u>Net OPEB Liability (Asset)</u>
December 31, 2012	\$ 1,350,448	18.61%	\$ 6,061,348
December 31, 2011	\$ 1,788,314	14.09%	\$ 4,962,242

Funded Status and Funding Progress – In 2012 and 2011, the Bossier Parish Police Jury made no contributions to its post employment benefits plan. The plan is not funded, has no assets, and hence has a funded ratio of zero. Based on the January 1, 2012 actuarial valuation, the most recent valuation, the Actuarial Accrued Liability (AAL) at the end of the year December 31, 2012 was \$13,818,225 which is defined as that portion, as determined by a particular actuarial cost method (the Bossier Parish Police Jury uses the Projected Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

	<u>2012</u>	<u>2011</u>
Actuarial Accrued Liability (AAL)	\$ 12,482,034	\$ 16,417,730
Actuarial Value of Plan Assets (AVP)	-	-
Unfunded Act. Accrued Liability (UAAL)	<u>\$ 12,482,034</u>	<u>\$ 16,417,730</u>
Funded Ratio (AVP/AAL)	0.00%	0.00%
Covered Payroll (active plan members)	\$ 7,887,225	\$ 7,050,661
UAAL as a percentage of covered payroll	158.26%	232.85%

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees).

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the Bossier Parish Police Jury and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Bossier Parish Police Jury and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the Bossier Parish Police Jury and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method – The ARC is determined using the Projected Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality and turnover.

Actuarial Value of Plan Assets – There are not any plan assets. It is anticipated that in future valuations, should funding take place, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

Turnover Rate – An age-related turnover scale based on actual experience has been used. The rates, when applied to the active employee census, produce a composite average annual turnover of approximately 5%.

Post employment Benefit Plan Eligibility Requirements – Based on past experience, it has been assumed that entitlement to benefits will commence three years after eligibility to enter the D.R.O.P., as described above under "Plan Description". Medical benefits are provided to employees upon actual retirement. Most employees are covered by the Parochial Employees' Retirement System of Louisiana, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service. For employees hired on and after January 1, 2007 retirement eligibility (D.R.O.P. entry) provisions are as follows: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service. Entitlement to benefits continue through Medicare to death.

Investment Return Assumption (Discount Rate) – GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will not be funded, a 4% annual investment return has been used in this valuation.

Health Care Cost Trend Rate – The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov).

(Continued)

Bossier Parish Police Jury
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Notes to Financial Statements
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(Continued)

"State and Local" rates for 2008 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

Mortality Rate - The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is a published mortality table which was designed to be used in determining the value of accrued benefits in defined benefit pension plans.

Method of Determining Value of Benefits - The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the employer for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The employer pays 80% of the cost of the medical insurance for the retirees and dependents. The rates provided applicable before age 65 are "blended" rates. Since GASB 45 mandates that "unblended" rates be used, we have estimated the "unblended" rates for two broad groups: active and retired before Medicare eligibility. It has been assumed that the retiree rate before Medicare eligibility is 130% of the blended rate.

Inflation Rate - Included in both the Investment Return Assumption and the Healthcare Cost Trend rates above is an implicit inflation assumption of 2.50% annually.

Projected Salary Increases - This assumption is not applicable since neither the benefit structure nor the valuation methodology involves salary.

Post-retirement Benefit Increases - The plan benefit provisions in effect for retirees as of the valuation date have been used and it has been assumed for valuation purposes that there will not be any changes in the future.

Below is a summary of OPEB cost and contributions for the last three fiscal calendar years.

	<u>OPEB Costs and Contributions</u>		
	FY 2010	FY 2011	FY 2012
OPEB Cost	\$ 1,742,942	\$ 1,788,314	\$ 1,350,448
Contribution	-	-	-
Retiree premium	298,260	252,013	251,342
Total contribution and premium	298,260	252,013	251,342
Change in net OPEB obligation	\$ 1,444,682	\$ 1,536,301	\$ 1,099,106
Net OPEB			
% of contribution to cost	0.00%	0.00%	0.00%
% of contribution plus premium to cost	17.11%	14.09%	18.61%

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

(14) Criminal Court Fund

R.S. 15:571.11 requires that one-half of any balance remaining in the criminal court fund at year-end be transferred to the parish General Fund. The following details the amount due at December 31, 2012:

Balance due at January 1, 2012	\$ 40,815
Amount due for 2012	<u>27,103</u>
Total	67,918
Remitted during 2012	<u>(40,815)</u>
Balance due at December 31, 2012	<u>\$ 27,103</u>

(15) Commitments

Waterworks / Sewerage District

The Consolidated Waterworks / Sewerage District No. 1 (District) is planning certain water and sewer projects and acquisitions for water / sewer infrastructure improvements within Bossier parish. The estimated cost of those improvements are approximately \$45,000,000. Funding for the improvements is to be provided by a loan from the State of Louisiana, Department of Environmental Quality for \$17,750,000; issuance of revenue bonds through the Louisiana Local Government Authority for \$11,835,000; and State of Louisiana capital outlay funds totaling approximately \$15,500,000. As of December 31, 2012, approximately \$9,813,282 had been expended for acquisition of water/sewer system and planning costs.

As of December 31, 2012, the police jury has commitments for signed construction, engineering, and other contracts in relation to the District of approximately \$3,786,163. As of December 31, 2012, approximately \$2,191,068 had been incurred on those contracts, and the balance remaining in those contracts was approximately \$1,595,095, which will be incurred subsequent to December 31, 2012.

Other Commitments

As of December 31, 2012, the police jury has commitments for signed construction, engineering, and other contracts of approximately \$13,707,233. As of December 31, 2012, approximately \$10,208,388 had been incurred on those contracts, and the balance remaining in those contracts was approximately \$3,498,845, which will be incurred subsequent to December 31, 2012.

(16) Donated Infrastructure

Included in capital grants and contributions in the Statement of Activities is \$13,882,867 of donated infrastructure. The donations are the result of the Bossier Parish Police Jury's acceptance of subdivisions into the jury's road maintenance system.

(17) Litigation and Claims

At December 31, 2012, the police jury is involved in numerous lawsuits. In the opinion of legal counsel for the police jury, the potential loss on all claims and lawsuits will not be significant to the police jury's financial statements. (Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

(18) Economic Dependency

The following are the principal taxpayers for the parish and their 2012 assessed valuation.

	<u>2012 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Petrohawk Operating	\$ 29,600,150	2.79%
Horseshoe Entertainment	20,835,840	1.97%
KCS Resources, LLC	20,372,810	1.92%
J-W Operating	18,017,670	1.70%
Halliburton Energy	16,440,710	1.55%
Midcontinent Express	14,454,680	1.36%
Southwestern Electric Power	13,981,550	1.32%
Gulf Crossing Pipeline	12,608,240	1.19%
Louisiana Riverboat	9,561,240	.90%
Chesapeake Operating	<u>8,704,770</u>	<u>.82%</u>
	<u>\$ 164,577,660</u>	<u>15.52%</u>

The police jury received gaming revenues of \$4,048,577 from local gaming establishments.

(19) Advance to Consolidated Waterworks / Sewerage District No. 1

The police jury provided proceeds of revenue bond borrowings not to exceed \$11,835,000 to the Consolidated Waterworks / Sewerage District No. 1 (District) for the purpose of financing the purchase of existing water and sewerage systems within the District and other costs of establishment of the system. This arrangement was formalized through a cooperative endeavor agreement between the police jury and the District in order to provide interim financing sufficient to purchase existing systems as needed by the District. It is the intent for the District to repay the advance from the police jury through funds generated by operations. The amount advanced by the police jury as of December 31, 2012, was approximately \$7,940,934. This amount is shown in the accompanying fund financial statements as advance to waterworks / sewerage district and advance from police jury, and is shown as internal balances on the accompanying government-wide financial statements.

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Notes to Financial Statements
December 31, 2012
(Continued)

(20) Risk Management

The police jury purchases commercial insurance to provide workers compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the previous year.

(21) Fund Balance Classifications

The constraints on fund balances as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to balance classification and fund, as follows:

	Major Special Revenue Funds			Major Capital Projects Funds		Other Governmental Funds	Total
	General Fund	Highway	Library	Capital Improvements	LCDA Sewer Construction		
Fund balances:							
Nonspendable	\$	\$	\$	\$	\$ 7,940,834	\$	\$ 7,940,834
Restricted:							
Public works						3,132,258	3,132,258
Culture and recreation			15,024,260			840,872	15,865,132
Sewer operations						66,387	66,387
Capital projects				7,369,802			7,369,802
Health and Welfare						2,783,889	2,783,889
Public safety						2,947,433	2,947,433
Debt service						3,482,531	3,482,531
Economic development					3,658,427	722,023	4,380,450
Assigned:							
Sewer operations	143,277						143,277
Juvenile detention	16,103					1,568,714	1,584,817
Public works		8,406,005				312,805	8,718,810
Culture and recreation			182,700			134,989	327,689
Operations and maintenance				132,383			132,383
Capital projects						1,570,987	1,570,987
Health and Welfare						18,105	18,105
Public safety						1,166,723	1,166,723
Economic development						104,617	104,617
Unassigned	3,238,160						3,238,160
Total fund balances	<u>\$3,397,540</u>	<u>\$ 8,406,005</u>	<u>\$ 15,216,960</u>	<u>\$7,502,185</u>	<u>\$11,599,361</u>	<u>\$ 18,832,313</u>	<u>\$ 64,954,344</u>

(22) Subsequent Events

Subsequent events have been evaluated through June 27, 2013, the date the financial statements were available to be issued.

In March, 2013, the police jury issued \$286,500 of sewer revenue bonds, series 2013, with the Louisiana Department of Environmental Quality. The bonds were issued pursuant to the DEQ's forgiveness program.

Bossier Parish Policy Jury
Benton, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,605,000	\$ 1,608,500	\$ 1,688,086	\$ 89,586
Sales tax	1,800,000	1,600,000	1,442,573	(157,427)
Licenses and permits	592,000	692,150	684,982	(7,168)
Intergovernmental revenues	2,373,268	2,269,200	2,262,660	3,660
Fees, charges, and commissions for services	175,000	160,000	75,571	(84,429)
Other revenues	261,088	255,551	181,142	(74,409)
Total revenues	8,808,354	8,575,401	6,345,214	(230,187)
Expenditures:				
Current:				
General government:				
Legislative	346,750	410,950	398,006	12,944
Judicial	841,150	654,725	567,558	87,167
Elections	212,825	247,825	212,364	35,461
Finance and administrative	1,532,700	1,541,700	1,302,270	239,430
Other	253,286	271,810	273,278	(1,468)
Public safety	2,009,034	1,881,034	1,727,327	153,707
Health and welfare	182,740	182,740	175,628	7,112
Culture and recreation	135,000	110,000	107,795	2,205
Capital projects	1,500	1,500		1,500
Economic development	141,370	151,370	146,237	5,133
Total expenditures	5,456,355	5,453,654	4,910,461	543,193
Excess (deficiency) of revenues over expenditures	1,349,998	1,121,747	1,434,753	313,006
Other financing sources (uses):				
Operating transfers in		5,391	121,208	115,815
Operating transfers out	(564,500)	(700,736)	(675,000)	25,736
Total other financing sources (uses)	(564,500)	(695,345)	(553,794)	141,551
Excess (deficiency) of revenues and other sources over expenditures and other uses	785,498	426,402	880,959	454,557
Fund balances at beginning of year	675,003	651,012	639,991	(11,021)
Fund balances at end of year	\$ 1,460,502	\$ 1,077,414	\$ 1,520,950	\$ 443,536

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
Benton, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
Highway Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,815,000	\$ 1,810,000	\$ 1,704,394	94,394
Sales tax	9,500,000	7,500,000	7,096,881	(403,339)
Gaming Tax	1,475,000	1,390,000	1,384,588	(5,412)
License and permits	290,000	160,000	151,536	(8,464)
Intergovernmental revenues	1,455,000	2,058,300	2,505,856	447,556
Fines and forfeitures	245,000	245,000	217,285	(27,715)
Use of money and property	6,000	6,000	4,887	(1,113)
Other revenues	45,000	407,000	122,056	(284,944)
Total revenues	14,831,000	13,376,300	13,187,263	(189,037)
Expenditures:				
Current:				
General government:				
Finance and administrative	202,000	205,500	107,019	98,481
Public works	32,177,047	27,260,675	24,540,720	2,719,955
Total expenditures	32,379,047	27,466,175	24,647,739	2,818,436
Excess (deficiency) of revenues over expenditures	(17,748,047)	(14,089,875)	(11,460,476)	2,629,399
Other financing sources (uses):				
Operating transfers in	8,071,297	7,071,297	5,389,744	(1,681,553)
Operating transfers out	(1,312,000)	(1,312,000)	(1,387,100)	(75,100)
Total other financing sources (uses)	6,759,297	5,759,297	4,002,644	(1,756,853)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(10,988,750)	(8,330,578)	(7,457,832)	872,746
Fund balances at beginning of year	15,591,561	14,812,234	14,820,589	8,355
Fund balances at end of year	\$ 4,602,811	\$ 6,481,656	\$ 7,362,757	\$ 881,101

See accompanying note to the required supplementary schedule.

Bossier Parish Policy Jury
Benton, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
Library Fund
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Revenues:				
Ad valorem taxes	\$ 6,000,000	\$ 6,041,000	\$ 6,407,123	\$ 366,123
Intergovernmental revenues	136,000	136,000	173,071	37,071
Fees, charges, and commissions for services	30,000	30,000	38,051	8,051
Fines and forfeitures	35,000	35,000	38,578	3,578
Use of money and property	3,000	3,000	4,941	1,941
Other revenues	26,000	25,000	15,693	(9,307)
Total revenues	6,230,000	6,270,000	6,675,457	405,457
Expenditures:				
Current:				
General government:				
Finance and administrative	200,000	210,000	208,750	1,250
Culture and recreation	5,614,000	5,644,000	4,434,695	1,209,305
Total expenditures	5,814,000	5,854,000	4,643,445	1,210,555
Excess (deficiency) of revenues over expenditures	416,000	416,000	2,032,012	1,616,012
Other financing sources (uses):				
Operating transfers out	(416,000)	(416,000)	(415,200)	800
Total other financing sources (uses)	(416,000)	(416,000)	(415,200)	800
Excess (deficiency) of revenues and other sources over expenditures and other uses			1,616,812	1,616,812
Fund balances at beginning of year	6,431,282	8,217,436	8,217,228	(208)
Fund balances at end of year	\$ 6,431,282	\$ 8,217,436	\$ 9,834,040	\$ 1,616,604

See accompanying note to the required supplementary schedule.

Bossler Parish Police Jury
Benton, Louisiana
Note to Required Supplementary Information
December 31, 2012

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. For GAAP basis financial reporting, the General fund includes activities of the Juvenile Detention and Sewer Operation funds, as those funds do not meet the criteria to be classified as special revenue funds.

The following schedule reconciles excess (deficiency) of revenues and other sources over expenditures and other uses on the statement of revenues, expenditures and changes in fund balances (budget basis) with the amounts shown on the statement of revenues, expenditures and changes in fund balances (GAAP basis):

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Library Fund</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (budget basis)	\$ 880,959	\$ (7,457,832)	\$ 1,616,812
Adjustments:			
Revenue accruals – net	(835,841)	37,272	217,663
Expenditures accruals – net	94,371	(1,037,081)	(166,404)
Revenues, transfers, and other financing sources:			
Juvenile Detention	962,342		
Sewer Operations			
Expenditures, transfers, and other financing uses:			
Juvenile Detention	(950,235)		
Sewer Operations	(189,515)		
Excess (deficiency) of revenues and other sources over expenditures and other uses (GAAP basis)	<u>\$ (37,919)</u>	<u>\$ (8,457,641)</u>	<u>\$ 1,668,071</u>

Bossier Parish Police Jury
Benton, Louisiana
Schedule of Funding Progress for Retiree Health, Dental, and Life Plans
For the Year Ended December 31, 2012

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded ALL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2012	0	\$ 12,482,034	\$ 12,482,034	0	\$ 7,887,225	159%
1/1/2010	0	\$ 15,179,114	\$ 15,179,114	0	\$ 7,397,527	205%
1/1/2008	0	\$ 10,839,178	\$ 10,839,178	0	\$ 5,576,519	194%

**Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules –
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2012**

Health Unit Fund

The Health Unit Fund accounts for the maintenance and operation of the parish health unit. Financing is provided by a special parish-wide ad valorem tax and interest earnings.

Law Enforcement Fund

Act 582 of 2004 increased the witness fee paid to off-duty law enforcement officers in criminal cases from \$25 per day per case to \$50 per day per case, up to a maximum of \$150 per day. The act stipulated that no parish would be required to appropriate general fund money for payment of these fees, and provided for a special fund to be established for payment. The 26th Judicial District Court Judges are taxing defendants to pay witness fees associated with their cases.

Criminal Court Fund

The Criminal Court Fund was created by Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorney conviction fees in criminal cases be transferred to the parish treasurer and deposited in a special criminal court fund account to be used for the expenses of the criminal court of the parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judge. The statute also requires that one-half of the surplus (fund balance) remaining in the fund at December 31 of each year be transferred to the parish General Fund.

Section 8 Housing Fund

The Section 8 Fund accounts for the operation of a Section 8 Housing Subsidy Program funded by the United States Department of Housing and Urban Development. The program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's required contribution toward the rent.

Correctional Facilities Fund

The Correctional Facilities Fund accounts for the operation and maintenance of correctional facilities in Bossier Parish, including the furnishing of transportation and medical care for prisoners. Financing is provided by ad valorem tax revenue.

Highway Certificates of Indebtedness Sinking Fund

The Highway Certificates of Indebtedness Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of rural road construction.

Library Certificates of Indebtedness Sinking Fund

The Library Certificates of Indebtedness Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of construction of a library history center.

(Continued)

**Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules --
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2012
(Continued)**

Sales Tax Bonds Sinking Fund

The Sales Tax Bonds Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on certificates of indebtedness issued for purposes of courthouse improvements/renovations and construction of a new maximum security jail.

LCDA Sinking Fund

The LCDA Sinking Fund is used to account for the accumulation of resources for and the repayment of debt on revenue bonds issued for purposes of acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public.

Valerie Lane Debt Service Fund

The Valerie Lane Debt Service Fund is used to account for the accumulation of resources for and the repayment of debt on paving certificates issued for purposes of improvements to Valerie Lane in Bossier Parish.

General Capital Projects

The General Capital Projects Fund accounts for boarding fee funds received from three of the riverboats in Bossier Parish as well as the proceeds from taxes levied on slot machine proceeds. This money is to be utilized for various Capital Projects.

Industrial Park Construction Fund

The Industrial Park Construction Fund accounts for financial resources used to acquire and construct facilities at the industrial park.

Airline Drive Construction Fund

The Airline Drive Construction Fund was created to account for the construction/improvement of Airline Drive in Bossier Parish.

Parks and Recreation Fund

The Parks and Recreation Fund was created to account for funds received from mineral leases to be used for the improvement of various parks and recreation facilities in Bossier Parish.

LCDA Public Improvements

The LCDA Public Improvement Fund accounts for the acquiring, constructing or improving streets and roads, parks and recreational facilities, and economic development facilities within the parish, title to which shall be in the public.

(Continued)

**Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedules –
Combining Schedules for Non-Major Funds
As of and for the Year Ended December 31, 2012
(Continued)**

Sewerage Construction

The Sewer Construction Fund accounts for constructing and acquiring improvements and extensions to the waterworks and sewerage system.

BABS LCDA Construction

The BABS LCDA Construction Fund is used to account for the proceeds of Build America Bonds and the use of such proceeds.

Rural Development Grant Fund

The Rural Development Grant fund is used to account for various grants received from the State of Louisiana, Office of Rural Development, for various capital projects.

LCDBG Fund

The LCDBG Fund is used to account for a Louisiana Community Development Block Grant obtained from the State of Louisiana Division of Administration for the purpose of fire protection.

Bossier Parish Police Jury
Benton, Louisiana
Combining Balance Sheet
Other Governmental Funds
December 31, 2012

	Health Unit	Law Enforcement	Criminal Court	Section 8 Housing	Corrections	Highway Certificates of Indebtedness Sinking Fund	Library Certificates of Indebtedness Sinking Fund
Assets							
Cash and cash equivalents	\$ 1,841,780	\$ 208,756	\$ 29,281	\$ 349,786	\$ 1,721,968	\$ 244,948	\$ 5,405
Receivables	752,781		73,915		2,597,408		
Restricted cash						91,258	
Due from other fund			6,373				
Total assets	\$ 2,594,561	\$ 208,756	\$ 109,569	\$ 349,786	\$ 4,319,376	\$ 336,206	\$ 5,405
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ 31,405	\$ 800	\$ 55,364	\$ 15,631	\$ 201,843	\$	\$
Due to other fund			27,103				
Deferred revenue	95,317				211,333		
Total liabilities	126,722	800	82,467	15,631	413,176		
Fund balances:							
Nonspendable							
Restricted	2,449,734	207,956		334,155	2,739,477	336,206	5,405
Assigned	18,105		27,102		1,166,723		
Total fund balances	2,467,839	207,956	27,102	334,155	3,906,200	336,206	5,405
Total liabilities and fund balances	\$ 2,594,561	\$ 208,756	\$ 109,569	\$ 349,786	\$ 4,319,376	\$ 336,206	\$ 5,405

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Combining Balance Sheet
Other Governmental Funds
December 31, 2012
(Continued)

	<u>Sales Tax Bond Sinking</u>	<u>LCDA Sinking Fund</u>	<u>Valerie Lane Debt Service</u>	<u>General Capital Projects</u>	<u>Industrial Park</u>	<u>Airline Drive Construction</u>	<u>Parks & Recreation</u>
Assets							
Cash and cash equivalents	\$ 1,419,341	\$	\$	\$ 1,435,758	\$ 828,591	\$ 763,510	\$ 118,583
Receivables				215,572			20,614
Restricted cash	1,582,455	109,124		840,872			
Due from other fund							
Total assets	<u>\$ 3,011,796</u>	<u>\$ 109,124</u>	<u>\$</u>	<u>\$ 2,492,202</u>	<u>\$ 828,591</u>	<u>\$ 763,510</u>	<u>\$ 139,197</u>
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$	\$	\$	\$ 80,373	\$ 1,951	\$	\$
Due to other fund							
Deferred revenue							4,198
Total liabilities				<u>80,373</u>	<u>1,951</u>		<u>4,198</u>
Fund balances:							
Nonspendable							
Restricted	3,011,796	109,124		840,872	722,023	450,705	
Assigned				1,570,957	104,617	312,805	134,999
Total fund balances	<u>3,011,796</u>	<u>109,124</u>		<u>2,411,829</u>	<u>826,640</u>	<u>763,510</u>	<u>134,999</u>
Total liabilities and fund balances	<u>\$ 3,011,796</u>	<u>\$ 109,124</u>	<u>\$</u>	<u>\$ 2,492,202</u>	<u>\$ 828,591</u>	<u>\$ 763,510</u>	<u>\$ 139,197</u>

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Combining Balance Sheet
Other Governmental Funds
December 31, 2012
(Continued)

	LCDA Public Improvements	Sewerage Construction	BABS LCDA Construction	Rural Development Grants	LCDBG	Total Other Governmental Funds
Assets						
Cash and cash equivalents	\$ 1,541,612	\$ 1,001	\$	\$ (3,665)	\$	\$ 10,508,655
Receivables		37,094		3,665		3,701,049
Restricted cash		46,585	2,681,553			5,381,847
Due from other fund						8,373
Total assets	<u>\$ 1,541,612</u>	<u>\$ 84,680</u>	<u>\$ 2,681,553</u>	<u>\$</u>	<u>\$</u>	<u>\$ 19,575,924</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$	\$ 18,293	\$	\$	\$	\$ 405,680
Due to other fund						27,103
Deferred revenue						310,848
Total liabilities		<u>18,293</u>				<u>743,611</u>
Fund balances:						
Nonspendable						
Restricted		66,387	2,681,553			13,955,393
Assigned	<u>1,541,612</u>					<u>4,876,920</u>
Total fund balances	<u>1,541,612</u>	<u>66,387</u>	<u>2,681,553</u>			<u>18,832,313</u>
Total liabilities and fund balances	<u>\$ 1,541,612</u>	<u>\$ 84,680</u>	<u>\$ 2,681,553</u>	<u>\$</u>	<u>\$</u>	<u>\$ 19,575,924</u>

Bossier Parish Police Jury
Benton, Louisiana
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2012

	Health Unit	Law Enforcement	Criminal Court	Section 8 Housing	Corrections Facilities	Highway Certificates of Indebtedness Sinking Fund	Library Certificates of Indebtedness Sinking Fund
Revenues:							
Ad valorem taxes	\$ 728,357	\$	\$	\$	\$ 2,803,892	\$	\$
Gaming taxes							
Intergovernmental revenues	63,855			3,071,762			
Fees, charges and commissions for service		5,835	280,890		91,513		
Fines and forfeitures			984,481				
Investment earnings	984	80		488	879	337,568	1
Miscellaneous	7,010			12,884	8,285		
Total revenues	788,208	5,715	1,265,151	3,085,134	2,704,549	337,568	1
Expenditures:							
Current:							
Zoning and planning							
Judicial		8,100	1,909,692				
Finance and administrative							
Other	23,872		17,069		88,283		
Public safety	189,845				2,224,694		
Public works							
Health and welfare	455,294			3,585,133			
Culture and recreation							
Economic development				480,646			
Capital Outlay					51,103		
Debt service:							
Principal retirement						740,000	385,000
Interest and other charges						378,100	50,554
Total expenditures	648,811	8,100	1,926,761	4,055,779	2,382,080	1,118,100	415,554
Excess (deficiency) of revenues over expenditures	139,395	(2,385)	(661,610)	(970,645)	342,469	(778,534)	(415,563)
Other financing sources (uses)							
Sale of Capital Items							
Transfers in			675,000		375,000	1,112,100	415,200
Transfers out			(27,103)				
Total other financing sources			647,897		375,000	1,112,100	415,200
Excess (deficiency) of revenues and other sources over expenditures	139,395	(2,385)	(13,713)	(970,645)	717,469	333,568	(353)
Fund balances at beginning of year, restated	2,328,444	210,341	40,815	1,304,800	3,188,731	2,640	5,758
Fund balances at end of year	\$ 2,467,839	\$ 207,956	\$ 27,102	\$ 334,155	\$ 3,906,200	\$ 336,208	\$ 5,405

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2012
(Continued)

	Sales Tax Bond Sinking	LCDA Sinking Fund	Valerie Lane Debt Service	General Capital Projects	Industrial Park	Airline Drive Construction	Parks & Recreation
Revenues:							
Ad valorem taxes	\$	\$	\$	\$	\$	\$	\$
Gaming taxes				2,548,301			
Intergovernmental revenues				1,000,000			
Fees, charges and commissions for service				221,744			
Fines and forfeitures							
Investment earnings	1,439			453	339	262	
Miscellaneous					14,676	12,384	104,293
Total revenues	1,439			3,770,488	15,014	12,646	104,293
Expenditures:							
Current:							
Zoning and planning				40,068			
Judicial				200,000			
Finance and administrative							
Other							
Public safety							
Public works				16,451		5,500	
Health and welfare				112,332			
Culture and recreation				73,212			84,889
Economic development				784,537	13,949		
Capital Outlay				189,128			
Debt service:							
Principal retirement	2,415,000	680,000	6,443				
Interest and other charges	776,793	631,876	387				
Total expenditures	3,190,793	1,311,876	6,830	1,365,718	13,949	6,500	84,889
Excess (deficiency) of revenues over expenditures	(3,189,354)	(1,311,675)	(6,830)	2,384,780	1,065	7,146	19,404
Other financing sources (uses)							
Sale of Capital Items							
Transfers in	1,948,000	1,311,492				200,000	
Transfers out			(5,391)	(1,311,492)			
Total other financing sources	1,948,000	1,311,492	(5,391)	(1,311,492)		200,000	
Excess (deficiency) of revenues and other sources over expenditures	(1,243,354)	(183)	(12,221)	1,073,288	1,065	207,146	19,404
Fund balances at beginning of year	4,285,150	109,307	12,221	1,338,541	825,575	556,384	115,595
Fund balances at end of year	\$ 3,011,796	\$ 109,124	\$	\$ 2,411,829	\$ 826,640	\$ 763,510	\$ 134,999

(Continued)

Bossier Parish Police Jury
Benton, Louisiana
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2012
(Continued)

	LCDCA Public Improvements	Sewer Construction	BABS LCDCA	Rural Development Grants	LCDBG	Total Other Governmental Funds
Revenues:						
Ad valorem taxes	\$	\$	\$	\$	\$	\$ 3,330,249
Gaming taxes						2,548,301
Intergovernmental revenues		298,539		73,312	189,600	4,867,068
Fees, charges and commissions for service						599,582
Fines and forfeitures						984,481
Investment earnings	735					343,228
Miscellaneous						158,811
Total revenues	<u>735</u>	<u>298,539</u>		<u>73,312</u>	<u>189,600</u>	<u>12,832,398</u>
Expenditures:						
Current:						
Zoning and planning						40,058
Judicial						2,117,792
Finance and administrative		1,309			28,075	27,384
Other						127,224
Public safety				73,312		2,467,651
Public works		302,943			143,525	488,419
Health and welfare						4,162,769
Culture and recreation						168,101
Economic development						1,259,132
Capital Outlay						210,231
Debt service:						
Principal retirement						4,206,443
Interest and other charges						1,834,509
Total expenditures		<u>304,262</u>		<u>73,312</u>	<u>189,600</u>	<u>17,079,703</u>
Excess (deficiency) of revenues over expenditures	<u>735</u>	<u>(5,713)</u>				<u>(4,447,305)</u>
Other financing sources (uses)						
Transfers in		22,307				6,057,099
Transfers out		(4,417,708)	(5,389,744)			(11,151,438)
Total other financing sources		<u>(4,395,401)</u>	<u>(5,389,744)</u>			<u>(5,094,339)</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>735</u>	<u>(4,401,114)</u>	<u>(5,389,744)</u>			<u>(9,541,844)</u>
	<u>1,540,877</u>	<u>4,487,501</u>	<u>8,071,287</u>			<u>28,373,957</u>
Fund balances at beginning of year						
	<u>\$ 1,841,812</u>	<u>\$ 66,387</u>	<u>\$ 2,681,553</u>	<u>\$</u>	<u>\$</u>	<u>\$ 18,832,313</u>
Fund balances at end of year						

Bossier Parish Police Jury
Benton, Louisiana
Supplemental Information Schedule -
Schedule of Compensation Paid Police Jurors
December 31, 2012

	<u>Amount</u>
W. Wayne Hammack	\$ 18,886
Winfred Johnston	941
Jerome L. Darby	18,786
Rick L. Avery, President	18,836
Brad Cummings	941
Jimmy Cochran	18,886
Bill Altimus	941
Glenn Benton	18,886
Wanda Bennett	18,886
Barry Butler	941
Paul Plummer	18,836
Hank Meachum	941
Robert Brotherton	17,945
Douglas Cook	17,945
Douglas Rimmer	17,945
Fred Shewmaker	17,945
Jack Skaggs	<u>17,945</u>
 Total	 <u>\$ 226,432</u>

The schedule of compensation paid to police jurors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the police jurors is included in the legislative expenditures of the General Fund. In accordance with Louisiana Revised Statute 33:1233, the police jury has elected the monthly payment method of compensation.

Bossier Parish Police Jury
Benton, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2012

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Defense</u>			
Direct Program - Payment in-Lieu-of Taxes	12.112	Unknown	<u>\$ 75,973</u>
<u>U.S. Department of Housing and Urban Development</u>			
Direct Programs:			
Housing Choice Vouchers	14.871	LA190	\$4,055,779
Passed through Louisiana Division of Administration, Office of Community Development			
Community Development Block Grant	14.228	698953	<u>189,800</u>
Total U.S. Department of Housing and Urban Development			<u>4,225,379</u>
<u>U.S. Department of Homeland Security</u>			
Passed through the Governor's Office of Homeland Security and Emergency Preparedness			
Disaster Recovery	97.036	Unknown	<u>25,372</u>
Total U.S. Department of Homeland Security			
<u>U.S. Department of Transportation</u>			
Passed through the Louisiana Department of Transportation and Development			
Bossier North / South Corridor	20.205	DE-0808(507); 700-08-0137	494,254
North Bossier Shared Use Trail	20.205	ENH-0807(500); 744-08-0005	<u>42,347</u>
Total U.S. Department of Transportation			<u>536,601</u>
<u>Environmental Protection Agency</u>			
Passed through the Louisiana Department of Environmental Quality			
Capitalization Grants for Clean Water State Revolving Funds	66.458	Unknown	<u>463,275</u>
Total Federal Expenditures			<u>\$5,326,800</u>

NOTE 1: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

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**Report on Internal Control Over Financial Reporting and on Compliance
And Other Matters Based on an Audit of Financial Statements
Performed in Accordance With Government Auditing Standards**

Independent Auditors' Report

Bossier Parish Police Jury
Benton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the primary government financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Bossier Parish Police Jury, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Bossier Parish Police Jury's basic financial statements, and have issued our report thereon dated June 27, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bossier Parish Police Jury's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bossier Parish Police Jury's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bossier Parish Police Jury's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bossier Parish Police Jury, financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance

with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cook & Morehart
Certified Public Accountants
June 27, 2013

COOK & MOREHART

Certified Public Accountants

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Report on Compliance for Each Major Program and on Internal Control Over Compliance Required By OMB Circular A-133

Independent Auditors' Report

Bossier Parish Police Jury
Benton, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the Bossier Parish Police Jury's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Bossier Parish Police Jury's major federal programs for the year ended December 31, 2012. The Bossier Parish Police Jury's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Bossier Parish Police Jury's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Bossier Parish Police Jury's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances:

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Bossier Parish Police Jury's compliance.

Opinion of Each Major Federal Program

In our opinion, the Bossier Parish Police Jury complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

Management of the Bossier Parish Police Jury is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referenced above. In planning and performing our audit of compliance, we considered the Bossier Parish Police Jury's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Bossier Parish Police Jury's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Cook & Morehart
Certified Public Accountants
June 27, 2013

**Bossier Parish Police Jury
Benton, Louisiana
Summary Schedule of Prior Audit Findings
December 31, 2012**

There were no findings related to federal awards programs in the prior year audit for the year ended December 31, 2011.

**Schedule of Finding and Questioned Costs
December 31, 2012**

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the primary government's governmental activities, business-type activities, and each major fund, a qualified opinion on the aggregate remaining fund information of Bossier Parish Police Jury, and an adverse opinion on the aggregate discretely presented component units of the Bossier Parish Police Jury, due to the discretely presented component units not being included in the financial statements.
2. No significant deficiencies are reported in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Bossier Parish Police Jury were disclosed during the audit.
4. No significant deficiencies are reported in the Report on Compliance for Each Major Program and Internal Control Over Compliance Required By OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Bossier Parish Police Jury expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for Bossier Parish Police Jury reported in Part C. of this Schedule.
7. The programs tested as major programs included the Low-Income Housing Assistance Program, CFDA #14.871, the Highway Planning and Construction (North/South Corridor and Shared Use Trail), CFDA #20.205, and the Capitalization Grants for Clean Water State Revolving Funds, CFDA #66.458.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Bossier Parish Police Jury qualifies as a low-risk auditee.

B. Findings – Financial Statements Audit: None

C. Findings and Questioned Costs – Major Federal Award Programs Audit: None

**Bossier Parish Police Jury
Benton, Louisiana
Summary Schedule of Prior Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 2012**

There were no findings, questioned costs, or management letter comments for the prior year audit for the year ended December 31, 2011.

**Corrective Action Plan For Current Year Audit Findings
Schedule For Louisiana Legislative Auditor
December 31, 2012**

There are no findings, questioned costs, or management letter comments for the current year audit for the year ended December 31, 2012.